

# Introduction

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## PURPOSE OF THE REQUEST FOR PROPOSAL

The *Missouri Department of Higher Education (MDHE) Default Prevention Grant* program began in 2002. Since that time, 59 institutions have participated in this program and have typically received up to \$25,000 annually to implement and expand default prevention initiatives. Congress authorized the state-designated student loan guaranty agencies participating in the Federal Family Education Loan Program (FFELP) to initiate and finance new programs and activities related to student loan default prevention in the federal Balanced Budget Act of 1997. As a result, the MDHE has assisted in funding default prevention programs for eligible Missouri postsecondary institutions for the past 15 state fiscal years.

The State of Missouri's Office of Administration has formally granted MDHE authority to make expenditures for default prevention activities in this current Default Prevention Grant cycle. Pursuant to that authority, the MDHE invites all Missouri postsecondary institutions participating in the Title IV Loan Program to submit a proposal to participate in Missouri's Default Prevention Grant program. This is a one-year competitive grant program. Institutions receiving grant awards may use the grant funds to help pay for a variety of default prevention services and related activities. Institutions will receive grant funds as reimbursement for amounts actually expended during the specified time frame in the performance of designated default prevention services. The goal of the Grant is to assist institutions in setting up on-going default prevention initiatives.

All proposals will be required to meet MDHE's guidelines. The number of awards is yet to be determined. The maximum grant award will be based on availability of funds. Proposal narratives should describe the project's design in detail and emphasize how the project will achieve results toward any of the following objectives:

- Improving retention;
- Increasing graduation rates;
- Reducing cohort default rates (CDR);
- Decreasing dollar amount of claims paid;
- Increasing financial literacy among students; or
- Decreasing student loan debt.

Proposals must establish a formative evaluation process (i.e., a method of judging the effectiveness of the program while the program initiatives are happening) in order to obtain feedback that the institution and state can use to improve the program or activities. Formative evaluation focuses on the processes by which the activities are conducted.

Proposals must also describe a summative evaluation process as well (i.e., a method of judging the effectiveness of the program) at the end of the program activities. Summative evaluation focuses on the outcomes of the program activities.

MDHE staff will review and determine whether to fund each proposal. Grant amounts awarded will be based on the rubric score. As a condition of receiving the Default Prevention Grant, each selected institution must execute an agreement with MDHE governing use of the grant funds. Such agreement will constitute the sole contract between MDHE and the respective grant recipients.

# Administrative

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## CONTRACTUAL CONTACT

Any questions regarding contractual terms and conditions or proposal format must be directed to:

Marilyn Landrum  
Student Assistance Associate  
Missouri Department of Higher Education  
205 Jefferson Street, P.O. Box 1469  
Jefferson City, MO 65102-1469  
573-522-6285

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Program Specialist  
Missouri Department of Higher Education  
205 Jefferson Street, P.O. Box 1469  
Jefferson City, MO 65102-1469  
573-526-4420

## DUE DATES

A written confirmation of the organization's intent to respond to this RFP is required by **April 6, 2016**. All proposals (**original plus four copies**) are due by close of business (5:00 p.m. CDT) on **May 6, 2016**. Any proposal received at the designated location after the required time and date specified for receipt shall be considered late and non-responsive. **Late proposals will not be evaluated for award.**

# Sequence of Events

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- Request for Proposal (RFP) distributed to Missouri Institutions of Higher Education that are eligible to participate in the Title IV Loan Program
- Institutions submit written confirmation of intent to respond to the RFP by April 6, 2016
- Institutions submit formal proposals to the MDHE by May 6, 2016
- Review panel assesses proposals
- Notice sent to institutions selected for awards

# Proposal Format and Requirements

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All proposals should be written using the following order and headings, which will better enable proposal reviewers to consistently evaluate all of the proposals. All forms are provided and are **required** unless otherwise stated. All proposals should be written in **12-point font** and margins should be no less than one inch (1"). Please also see the scoring rubric located on pages 6-7.

- I. Proposal Cover Page
- II. Budget Worksheet
- III. Summary of current Debt Management Plan
  - A. Measures
    - i. Provide data in graph form
  - B. Conclusions
- IV. Proposed Debt Management Plan
  - A. Executive Summary
  - B. Project Design
  - C. Collaboration
  - D. Budget Narrative
  - E. Project Justification
  - F. Measures of Success
- V. Appendices

**Proposal should not exceed 15 pages in length.**

*This page limit does not include the cover page or budget worksheet. It does, however, include any addendums or attachments you may send. Reviewers will not look at more than 15 pages.*

## **BUDGET INSTRUCTIONS/JUSTIFICATION**

To demonstrate the institution's commitment to a sustainable Debt Management Plan, the budget should clearly delineate expenditures expected from institutional funds as well as expenditures expected from Default Prevention Grant funds.

Purchases of materials and equipment are limited to those that will actually be needed during the project's duration. It is expected that materials will be purchased as inexpensively as practicable.

If a proposal's budget includes salary expenditures for specific staff, explain how any salary amount was derived by providing a clear calculation of the expected real-time contribution of the person to the project. Also, describe the roles of all personnel and justify their inclusion in the project. Some description of the mechanism for tracking the time billed to the project should be provided. No more than 50% of Grant funds awarded may be used for salary.

To ensure participation in purchased programs (e.g., SALT, Financial Literacy 101, Financial Aid TV, Inceptia, etc.), identify specific audiences to be involved. For example, require students who are on academic probation or financial aid probation to complete a required number of sessions and obtain a minimum score. Additionally, if delinquency contact services have been utilized in the past by the institution, measures showing an impact of those services must be provided to justify the ongoing expense.

Explain all budget items in detail and why such items advance the project's objectives and activities.

# Proposal Scoring Rubric

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Points will be awarded for each category, totaling up to 100. Each reviewer may assign up to 10 additional bonus points. Proposals must score at least 70 points to be considered for award. Factors to be considered for each category are outlined below.

## **PROJECT DESIGN (35 POINTS)**

- Summary of previous plan
  - Measures for determining the effectiveness of previous activities
  - Conclusions (interpret results of measures)
- Project activities are clearly stated and explained in detail; relevant examples are provided
- Project activities are appropriate and will help the institution meet the goal of:
  - Improving retention
  - Increasing graduation rates
  - Reducing cohort default rates (CDR)
  - Decreasing dollar amount of claims paid
  - Increasing financial literacy among students; and/or
  - Decreasing student loan debt
- Staff responsibilities are specific and clearly described in the proposal
- Personnel funded through the grant have expertise consistent with the initiative they are managing
- Proposal adheres to the MDHE's Proposal Format & Requirements

## **COLLABORATION (20 points)**

- Project activities encompass multiple campus offices, such as the financial aid office, admissions, the business office, student services, retention office, student success office, faculty, etc. Besides their regular responsibilities, please explain how they will participate in the initiatives described in Project Design.
- Proposal contains evidence that the institution's president, chancellor(s), provost(s), dean(s), and/or other managerial positions and offices are in full support of the planned project activities and the sustainability of activities if grant funds are not awarded in future years. Explain the role executive and managerial positions will play in supporting default prevention on campus.

## **BUDGET (20 points)**

- Project budget is detailed and provides a clear listing of expenditures
- Budget worksheet reflects expenses the Default Prevention Grant will cover as well as the financial commitment of the institution
- Proposed budget adheres to the MDHE's Proposal Guidelines and all items are addressed and explained in the narrative
- Proposed budget is cost effective for the number of students and borrowers impacted and the geographic area served (based on the estimated number of students or borrowers to be impacted)
- If the project budget includes adding a new position or office, the salary demonstrates the institution's commitment to sustainability and appears appropriate, the duties are clearly outlined, and other related expenses are addressed

**PROJECT JUSTIFICATION (10 points)**

- Proposal is based on research at your campus and addresses specific or unique issues faced by the institution's students and borrowers and why initiatives are appropriate
- Proposal explains why your institution should receive the grant and how your students will benefit
- Proposal demonstrates a clear, long-term commitment to the institution's students and borrowers and sustainability if the Missouri Default Prevention Grant is not awarded in future years

**MEASURES OF SUCCESS (15 points)**

- The proposal clearly explains how you will determine if planned initiatives were successful
- The proposal includes planned timeframes for measuring the outcomes of the initiatives funded by the Default Prevention Grant, such as monthly, quarterly, annually, etc.
- Mechanisms for measuring outcomes are thorough, well planned, and appropriate
- Institutional information is provided in the proposal:
  - Numbers or percentages of students receiving student loans
  - Estimated number of students or borrowers that will be reached by the proposal's planned activities

**BONUS POINTS (up to 10 points)**

- Extent to which underrepresented and/or underserved students will benefit from the proposed project
- Significant numbers or percentages of students and borrowers will be reached by planned activities
- Institutional commitment is demonstrated in terms of plans to provide matching institutional funds or to sustain project activities if the grant is not awarded in future years
- Project activities and design features will result in long-term benefit and results as well as short-term improvements in reduced student loan debt, reduced use of credit cards, increased retention, etc.
- Superior evidence of the commitment of the entire institution to the project activities and goals
- Proposal contains evidence of the commitment to collaborate with local entities such as Boys & Girls Clubs, Consumer Credit Counseling Services, Career Centers, high schools, etc.

MDHE reserves the right to adjust points and take other factors into account as it deems appropriate when reviewing proposals. Proposal strengths and weaknesses in each section will be noted.